

**AGENDA**



**Recommendation for Council Action (Purchasing)**

Austin City Council	Item ID:	10591	Agenda Number	26.
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Meeting Date:	November 3, 2011
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Department:	Purchasing
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**Subject**

Authorize award and execution of a 12-month requirements supply contract with EQUIPMENT DEPOT, PFLUGERVILLE, TX for the lease of forklifts for Austin Energy in an estimated amount not to exceed \$177,240, with three 12-month extension options in an estimated amount not to exceed \$177,240 per extension option, for a total estimated contract amount not to exceed \$708,960.

**Amount and Source of Funding**

Funding in the amount of \$177,240 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 36 months of the extension options is contingent upon available funding in future budgets.

**Fiscal Note**

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole bid received.
Prior Council Action:	
For More Information:	Gabriel Guerrero, Buyer II /322-6060
Boards and Commission Action:	Recommended by the Electric Utility Commission.
MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
Related Items:	

**Additional Backup Information**

This contract will provide for the lease of seven (7) forklifts to be used at various locations within Austin Energy. These forklifts will be used in Austin Energy's warehouses as well as downtown vaults for lifting material into shelf locations off the ground and moving heavy equipment such as transformers and switchgear inside AE's downtown vaults. The lease will greatly reduce unit downtime as the contractor is responsible for all scheduled maintenance and for providing a replacement unit should any forklift be inoperable for more than three (3) days due to mechanical failure not attributed to operator misuse, increasing productivity. This lease is for three (3) forklifts currently on separate contracts plus four (4) new forklift requirements

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

**BID TABULATION**

IFB No. GGU0093

Forklifts  
(7 each)

<u>VENDOR</u>	<u>2 each 10K Lb. Forklifts</u>	<u>5 each 16,5K Lb. Forklifts</u>	<u>Total Annual Bid</u>
Equipment Depot Pflugerville, TX	\$1,395/month	\$2,396/month	\$177,240

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office web site.

**PRICE ANALYSIS**

- a. Sole bid.
  - 1) Checked on current City of Austin Contract GC10000014 with Hertz Equipment Rental Corp. (US Communities No. 11624) but vendor could not supply the required forklifts that fit in confined spaces.
  - 2) Researched TXMAS contract for forklift lease, United Rentals submitted an open market quote but the forklifts were priced at least double that of Equipment Depot.
- b. Thirty six notices were sent including one WBE. There are no known MBEs available. One bid was received, with no response from the WBE.
- c. The pricing offered represents a 26% increase from the last contract award April 2008. The increase is due to transportation/delivery cost.

**APPROVAL JUSTIFICATION**

- a. Sole bid received. Equipment Depot is the current forklift provider
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.